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RESIDENT OF SALEM, NEW HAMPSHIRE PLEADS GUILTY TO DEFRAUDING U.S. GOVERNMENT AND ACCEPTING BRIBES

CONCORD, NEW HAMPSHIRE -- United States Attorney Tom Colantuono and Special Agent in Charge of the Northeast Field Office of the Department of Veterans Affairs (VA) Office of Inspector General, Criminal Investigations Division, Bruce Sackman, announced that Robert Mayer, former employee of the VA's Regional Loan Office in Manchester, has pleaded guilty to conspiracy to defraud the VA and accepting bribes.

During a court hearing on Thursday, February 24, 2005, Mayer, age 56, admitted that, over a five-year period, he dishonestly manipulated the government's contract award and payment procedures to benefit individuals to whom he awarded contracts worth more than \$4 million. Mayer's dishonest conduct included placing documents in files he maintained as an employee of the VA which falsely stated that other contractors had been asked to bid on contracts that were awarded to bribe-paying contractors. A federal prosecutor also charged that Mayer allowed the bribe-paying contractors to be paid for work that was not done or was not necessary, and that Mayer allowed the bribe-paying contractors to be paid exorbitant amounts for work they billed to the government.

The prosecutor also informed Chief United States District Court Judge Steven McAuliffe that contractor John Burke, a resident of Derry, New Hampshire, made numerous cash payments, totaling more than \$100,000.00, to Mayer in exchange for contracts worth more than \$3 million. The prosecutor explained that Burke also paid for new shingles that were installed on the roof of Mayer's home in Salem, New Hampshire, carpets that were installed in the home of one of Mayer's relatives and other repairs that were made to Mayer's and Mayer's relative's home. Burke and three other people to whom Mayer awarded government contracts also installed central air-conditioning and renovated bathrooms in Mayer's residence, installed a retaining wall along Mayer's driveway, plowed snow from Mayer's driveway and mowed Mayer's lawn.

When Mayer is sentenced by Judge McAuliffe on May, 31, 2005, he could receive a prison sentence of up to 5 years for the conspiracy offense and 15 years for the bribery offense. He could also be fined up to \$250,000.00 for each offense. This case is being prosecuted by Assistant U.S. Attorney Robert Kinsella.